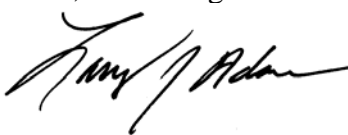


For: Peanut State and County Offices, CMA's, and DMA's

Processing Peanut Loan Transfers

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

8-LP, Part 8 and 12-PS, Part 5 provide policies and procedures for loan transfer functions. Peanut loans meeting requirement can be transferred from:

- farm-to-warehouse
- warehouse-to-warehouse.

When loan transfers are processed in APSS, the system:

- creates a **new** loan with a new loan number
- maintains the same disbursement date and maturity date as the original loan.

Because County Offices cannot process peanut loan transfers in APSS, peanut loan transfers shall be processed according to this notice.

B Purpose

This notice provides:

- instructions for processing peanut loan transfers in APSS
- examples of worksheets for transfers.

Disposal Date	Distribution
September 1, 2007	Peanut State Offices; State Offices relay to County Offices, Peanut CMA's and DMA's.

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2 General Information

A Processing Transfers in APSS

County Offices shall process peanut loan transfers according to the following procedures.

Step	Action
1	<p>Process a manual warehouse-stored loan according to paragraph 3.</p> <p>Notes: Use the same disbursement date as the original loan that was approved for transfer.</p> <p>Disburse the loan proceeds payable to:</p> <ul style="list-style-type: none">• CCC for the amount equal to the disbursement amount of the original loan approved for transfer• the producer for the remaining balance, when applicable.
2	<p>Reverse the original loan approved for transfer and create a receivable according to paragraph 4.</p>
3	<p>Repay the receivable created when the original loan approval for transfer was reversed using the loan proceeds from the new warehouse-stored loan according to paragraph 5.</p>

Note: The manual warehouse-stored loan **must** be processed 1st to determine whether the loan proceeds will cover the disbursement amount of the original loan being transferred. If there is a shortfall, interest shall be applicable according to subparagraph 4 A.

3 Processing Manual Warehouse-Stored Peanut Loans

A Determining Loan Information

Before processing the warehouse-stored loan in APSS, County Offices **must** manually complete the loan worksheet in Exhibit 1. This worksheet will provide guidance for entering certain important dates and transactions to ensure that the **new** warehouse-stored loan is recorded properly.

Complete the loan worksheet according to the following:

- under the “Original Loan for Transfer” in Column 1, enter the dates and applicable information from the **original farm- or warehouse-stored loan**
- under the “New Warehouse-Stored Loan” in Column 2, enter the dates and applicable information as instructed.

See Exhibit 2 for an example of a completed farm-to-warehouse transfer worksheet and Exhibit 3 for an example of a completed warehouse-to-warehouse transfer worksheet.

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3 Processing Manual Warehouse-Stored Peanut Loans (Continued)

B Processing Warehouse-Stored Loan in APSS

Process the manual warehouse-stored loan in APSS according to 12-PS, Part 4 and the following instructions:

- record as manual loan, using 90000 series loan number
- enter “N” to the question, “Is this a re-entry of a corrected loan?”
- use the loan worksheet to determine and enter:
 - loan application date
 - “date document received” date
 - “date warehouse receipt issued” date
 - “date commodity received” date
 - disbursement date
 - date of lien search
 - loan approval date
 - amount to be issued to CCC
- on Screen PLC12010, the manual loan amount and disbursement amount shall be the **same** as the displayed calculated loan amount and disbursement
- process the manually disbursed loan amount as follows.

IF the new warehouse-stored loan disbursement amount is...	THEN issue...
less than the original loan amount associated with the loan being transferred	all loan proceeds to CCC
more than the original loan amount associated with the loan being transferred	<ul style="list-style-type: none">• disbursement to CCC for the amount of the original loan or the amount of receivable to be created• remaining loan disbursement amount to the producer and/or lienholder, if applicable.

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4 Handling Receivable for the Original Peanut Loan

A Creating Receivable in APSS

County Offices shall create a receivable for the **original** peanut loan as follows.

Step	Action
1	On Price Support Main Menu PCA005, take option “7”, “Correct a Loan/LDP”.
2	Select applicable loan number and producer.
3	On Screen PXA00005, place a “Y” next to Loan Making transaction type.
4	On Screen ANK52010, answer “N” to the question, “Do you have this check in your office?”
5	On Screen ANK52020: <ul style="list-style-type: none">the Basis for Debt Code will default to “10341”answer “Y” to the question, “Do you want an initial notification letter printed?”
6	On Screen ANK52026, ENTER Reason Code “1”
7	On Screen AQK15201, ENTER the following statement as basis of debt text: “the transfer of your farm-stored or warehouse-stored peanut Loan No. XXXXX to a warehouse stored peanut loan No. XXXXX.”
8	On Screen AQKRPT01, the user will be prompted to print the following documents: <ul style="list-style-type: none">Receivable Establishment Verification Reportproducer notification letter. <p>Note: Producer notification letters will be mailed to producers only if a balance remains after applying the loan proceeds according to subparagraph B.</p>

B Applying Loan Proceeds from New Loan to Receivable

County Offices shall apply the loan proceeds from the **new** warehouse-stored loan to the receivable created when the **original** loan was reversed, according to 67-FI, Part 5, Section 1.

Note: When repaying receivables, use as the repayment date, the date the receivables were created according to subparagraph A.

The producer notification letter printed during the correction process in subparagraph A shall be:

- marked “Paid” and filed in the loan folder, if the receivable is **paid in full** and **no** balance remains
- immediately mailed to the producer, if the receivable is **not paid in full** and a balance remains outstanding.

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5 Repaying the New Warehouse-Stored Loans Processed

A Loan Repayment

Warehouse-stored loans processed according to this notice shall be repaid in the normal manner according to 8-LP, Part 9 and 12-PS, Part 7.

APSS will calculate the storage credit from the “Date Documents Received” date to the repayment date.

Peanut Loan Transfer Worksheet

County Offices shall manually complete this loan worksheet before processing the warehouse-stored loan in APSS.

Peanut Loan Transfer Worksheet			
Original Peanut Loan (Farm or Warehouse-Stored Loan)		New Peanut Loan (Warehouse-Stored Loan)	
	Enter applicable Information		Enter applicable Information
Information	Column 1	Information	Column 2
Loan Application Date		Enter same as Original Peanut Loan in Column 1.	
“Date Documents Received” Date			
- Farm-Stored		Enter the actual date all required loan documents are received in the “Date Documents Received” date field.	
- Warehouse-Stored		Enter the same as original in Column 1	
Date Receipt Issued			
- Farm-Stored		Enter the “Date Receipt Issued” from new receipt.	
- Warehouse-Stored		Enter the “Date Receipt Issued” from original receipt.	
Date Commodity Received			
- Farm-Stored		Enter the “Storage Date” from the new receipt.	
- Warehouse-Stored		Enter the “Storage date from original receipt.	
Disbursement Date		Enter same as original in Column 1	
Date of Lien Search		Enter same as Farm/Warehouse-Stored in Column 1.	
Loan Approval Date		Enter same as Farm/Warehouse-Stored in Column 1.	
Amount of disbursement for: (Producer name and share)		Issue check to CCC for smaller of the flowing <ul style="list-style-type: none"> • Column 1 amount • Loan proceeds. 	
		Issue remaining amount to producer, when applicable.	
Amount of disbursement for: (Producer name and share)		Issue check to CCC for smaller of the following: <ul style="list-style-type: none"> • Column 1 amount • Loan proceeds. 	
		Issue remaining amount to producer, when applicable.	

Peanut Loan Farm-to-Warehouse Transfer Worksheet

A producer applied for farm-stored certified peanut loan for 10 tons of peanuts on January 31, 2006, and was disbursed on January 31, 2006. On March 3, 2006, the producer filed CCC-681, to transfer his farm-stored loan to a warehouse-stored loan. The county Office authorized the transfer of the loan collateral from a farm storage facility to a CCC-approved warehouse.

After inspection and grading, the peanuts were delivered to the warehouse, and the producer was issued a warehouse receipt which he took to the County Office.

Before recording the transfer in APSS, the County Office shall complete the information relating to the loan.

Peanut Loan Transfer Worksheet: Farm to Warehouse Transfer			
Original Peanut Loan (Farm-Stored Loan)		New Peanut Loan (Warehouse-Stored Loan)	
	Enter applicable Information		Enter applicable Information
Information	Column 1	Information	Column 2
Loan Application Date	1/31/06	Enter the same as Original peanut Loan in Column 1.	1/31/06
"Date Documents Received" Date			
- Farm-Stored		Enter the actual date all required loan documents are received in the "Date Documents Received" date field.	3/1/06
- Warehouse-Stored	N/A	Enter the same as original in Column 1	N/A
Date Receipt Issued			
- Farm-Stored		Enter the "Date Receipt Issued" from new receipt.	3/1/06
- Warehouse-Stored	N/A	Enter the "Date Receipt Issued" from original receipt.	N/A
Date Commodity Received			
- Farm-Stored		Enter the "Storage Date" from the new receipt.	3/1/6
- Warehouse-Stored	N/A	Enter the "Storage date from original receipt.	N/A
Disbursement Date	1/31/06	Enter same as original in Column 1	1/31/06
Date of Lien Search	1/31/06	Enter same as Farm/Warehouse-Stored in Column 1.	1/31/06
Loan Approval Date	1/31/06	Enter same as Farm/Warehouse-Stored in Column 1.	1/31/06
Amount of disbursement for: (Producer name and share)	\$3,542.80	Issue check to CCC for smaller of the flowing <ul style="list-style-type: none"> Column 1 amount Loan proceeds. 	\$3,358.51 (apply to receivable according to paragraph 5)
		Issue remaining amount to producer, when applicable.	\$
Amount of disbursement for: (Producer name and share)	\$	Issue check to CCC for smaller of the following: <ul style="list-style-type: none"> Column 1 amount Loan proceeds. 	\$
		Issue remaining amount to producer, when applicable.	\$

Peanut Loan Warehouse -to-Warehouse Transfer Worksheet

A producer applied for a warehouse-stored certified peanut loan for 20 tons of peanuts on November 30, 2005, and was disbursed on November 30, 2005. On March 3, 2006, the producer filed CCC-699, to transfer his warehouse-stored loan to another warehouse, and obtain a warehouse-stored loan. The county Office authorized the transfer of the loan collateral from a CCC-approved warehouse to another CCC-approved warehouse.

The warehouse where the loan collateral was delivered issued a new warehouse receipt and the producer completes the warehouse-to-warehouse transfer at the County Office.

Before recording the transfer in APSS, the County Office shall complete the information relating to the loan.

Peanut Loan Transfer Worksheet: Warehouse to Warehouse Transfer			
Original Peanut Loan (Warehouse-Stored Loan)		New Peanut Loan (Warehouse-Stored Loan)	
	Enter applicable Information		Enter applicable Information
Information	Column 1	Information	Column 2
Loan Application Date	11/30/05	Enter the same as Original peanut Loan in Column 1.	11/30/05
"Date Documents Received" Date			
- Farm-Stored		Enter the actual date all required loan documents are received in the "Date Documents Received" date field.	N/A
- Warehouse-Stored	11/30/05	Enter the same as original in Column 1	11/30/05
Date Receipt Issued			
- Farm-Stored		Enter the "Date Receipt Issued" from new receipt.	N/A
- Warehouse-Stored	N/A	Enter the "Date Receipt Issued" from original receipt.	11/30/05
Date Commodity Received			
- Farm-Stored		Enter the "Storage Date" from the new receipt.	N/A
- Warehouse-Stored	11/25/05	Enter the "Storage date from original receipt.	11/25/05
Disbursement Date	11/30/05	Enter same as original in Column 1	11/30/05
Date of Lien Search	11/30/05	Enter same as Farm/Warehouse-Stored in Column 1.	11/30/05
Loan Approval Date	11/30/04	Enter same as Farm/Warehouse-Stored in Column 1.	11/30/05
Amount of disbursement for: (Producer name and share)	\$6,930.57	Issue check to CCC for smaller of the flowing <ul style="list-style-type: none"> Column 1 amount Loan proceeds. 	\$6,447.80 (apply to receivable according to paragraph 5)
		Issue remaining amount to producer, when applicable.	\$
Amount of disbursement for: (Producer name and share)	\$	Issue check to CCC for smaller of the following: <ul style="list-style-type: none"> Column 1 amount Loan proceeds. 	\$
		Issue remaining amount to producer, when applicable.	\$